GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:6593
ANSWERED ON:09.05.2000
REVIVAL PACKAGES FOR FCI AND HFCI
SUNIL KHAN

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government propose to close down the only urea producing unit of Hindustan Fertilizer Corporation Limited in Durgapur, West Bengal;

(b) if so, the reasons therefor;

(c) whether the Units of Fertilizer Corporation of India Limited and Hindustan Fertilizer Corporation Limited have been sanctioned for the revival package through B.I.F.R.;

(d) if so, the details in this regard;

(e) whether there is any proposal to diversify it from Naphtha based to gas based; and

(f) if so, the amount required for the purpose?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI RAMESH BAIS)

(a) & (b) : Durgapur urea plant of Hindustan Fertilizer Corporation Limited (HFC) has been kept under preservation as its sustained and viable operations are not feasible unless a complete revamp of the plant is undertaken which is hampered by budgetary constraints and high cost of production. Action on its revival is to be taken keeping in view Government's declared policy towards public sector, which is restructuring and revive potentially viable Public Sector Undertakings (PSUs), closedown those PSUs which cannot be revived while fully protecting the interests of workers.

(c) & (d) : The revamp of the Namrup units of HFC has been approved by the Government in 1997, which is under implementation. Comprehensive rehabilitation proposals based on evaluation of techno-economic viability of each of the remaining units of HFC and Fertilizer Corporation of India Ltd. is to be submitted to the competent authority in the Government and thereafter for sanction of Board for Industrial and Financial Reconstruction (BIFR).

(e) : No, Sir.

(f) : Does not arise.